

CHAPTER-17

DIGITAL INDIA 2025: NAVIGATING ECONOMIC GROWTH THROUGH INNOVATION AND TECHNOLOGY

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ABSTRACT

Due to its abundant resources and sizable market, India has become a significant growth potential with a bright future. In light of this, authorities and governments are constantly working to improve procedures in order to make the next big leap by utilizing the gifts of technology and digitalization. India's objectives and the opportunities on the digital front are well aligned, and the latter would facilitate India's growth story. The current state of the nation's digital revolution is the main topic of the article. Additionally, to strengthen the case for digitalization, a thorough examination of the effects this upcoming but essential transformation has already had locally is provided. The employment, productivity, and efficiency sectors are evaluated for both the current and likely effects.

Keywords: *Digitalization, Transformation, Employment, Digital India, Innovation, Technology.*

1. INTRODUCTION

By embracing digital payments, the goal is to transform India into a Digital India. Digital transactions make it easier for us to follow the law, which benefits a flourishing economy.

India, one of the biggest economies in the world, is thought of as having enormous development and innovation potential. India has successfully adjusted and made timely decisions over the past few decades, which has allowed it to genuinely stand out as a top commercial location and investment. The significant reforms of the 1990s aided India's transition to become a prominent participant in international trade, benefiting from what the rest of the world has to offer as a result of globalization. Additionally, this exposed India to competition from services and goods of the highest quality developed using cutting-edge production techniques and novel business models. This puts pressure on the nation to remain current and avoid being mired in antiquated practices and stagnation. By the year 2025, the Indian government wants to see the country's economy reach a \$5 trillion level. India has to generate 8.1 million new jobs every year, according to the World Bank, in order to meet its growth goals. In order to create enough employment for the 12.8 million new workers that enter the workforce each year, it is critical that the public and private sectors work together and take proactive steps. Additionally, efforts should be made to guarantee that young people in India acquire the skill sets essential for high-quality manufacturing and sophisticated world-class services. This should be done by focusing on both the quantity and quality of jobs created. It's important to abandon the outdated paradigms and preconceived notions of economic development in light of the epidemic, which has dealt a serious

blow to India's growth goals. Instead, technology-driven innovation is now essential for not only growth but also sustenance and relevance. With the usage of personal computers and the rising popularity of automation, which gave rise to a virtual world, the 1990s saw the introduction of technology in the nation. As a result, participants in the market became aware of the benefits of information and communication technology (ICT). Adoption of ICT, digitization, and automation open up a plethora of new options for improved efficiency and productivity, the development of new services and jobs, and improved agent connectivity. Since digitization is a worldwide phenomenon, its effects on economic development and employment in any country transcend national boundaries.

2. REVIEW OF LITERATURE

How can digitization and raising financial literacy among the populace transform a developing country like India? Because transactions in the future will take place online, everyone must be financially literate in order to make wise choices and put various policies into place to make it possible. (Kaul, 2017).

The effects of information technology (IT) and IT-enabled services on various industries, with a particular focus on the service and MSME sectors, which have the ability to grow and lead the economy in the forefront and have a significant impact on Indian trade (Kumar, 2019).

The ability of various industries to transition from a traditional to a digital system and their understanding of the differences between digitization and digitalization in their respective fields (Rymarczyk, 2019).

3. OBJECTIVES

- i. To understand how the idea of a digital India contributes to bettering quality of life
- ii. To determine how the government services can translate the vision of a digital India with actual solution initiatives and creative concepts.
- iii. To learn more about the economic effects of digital India's workout.
- iv. To generate some essential recommendations to make Digital India successful.

4. RESEARCH METHODOLOGY & DATA

On the basis of descriptive and exploratory research study is done. Secondary sources for the data in this research report include databases, journals, and numerous periodicals. We gathered secondary data from reputable government sources, eminent scholars' research papers, websites, journals, etc. Recognizing digital India's prospects and difficulties in all areas of excellence and enhancing locals' personal satisfaction are additional study objectives. The report offers an upbeat way for expanding career opportunities for kids to support the nation's economy's expansion.

In January 2022, there were 658 million Internet users in India. 47 percent of the people in India had access to the internet at the beginning of 2022. Analysis by Kepios shows that the number of people using the internet in India grew by 34 million (+5.4%) between 2021 and 2022. Based on these numbers, 742.0 million people in India did not use the internet at the beginning of 2022. This means that 53.0 percent of the population did not have access to the internet at the start of the year. But COVID-19 issues continue to affect research on internet use, so the actual number of internet users may be higher than these published numbers.

5. EFFECTS OF DIGITALIZATION IN THE INDIAN ECONOMY

i. Cooperation between Several Departments

Collaboration amongst several departments at all levels of the organization in a massive change to achieve their objectives.

ii. Improved Effectiveness

As part of the digital transformation, workflow must become simpler, quicker, and more effective in order to achieve growth through assisting people with paperless work. Digitalization aids in lowering paper-based work hours and boosting employee confidence. As a result of digital transformation, projects advance significantly more quickly and the main goal is accomplished.

iii. Better Services are Delivered

In addition to making it easier to gather client needs, digital transformation is also assisting in fulfilling those needs. The business can raise sales and profit margins by doing the same. The purpose of a digital strategy is to improve customer experience and boost competitive advantage for your business. Additionally, digital transformation aims to enhance how businesses are conducted. This switch doesn't actually happen that way, though. You require a plan and the means to achieve your objectives.

The road of digital transformation moves towards continuous process optimization at the end of a number of connected intermediate goals. Everyone within the organization must be involved in this process, which requires a clear, well-thought-out strategy with a roadmap.

6. CHALLENGES

The Digital India mission has been declared for more than a year, but there are still many obstacles in the way of its proper implementation. A few of the difficulties are:

- i. The main obstacle to the success of the digital India program is the high level of digital illiteracy.
- ii. Making Digital India a renowned program and raising public knowledge of its advantages are also major challenges.
- iii. Using an optical fibre network to connect every panchayat in India to a working broadband connection is difficult.
- iv. The taxation and regulatory issues have proven to be a barrier to the realization of the Digital India goal. Lack of transparency in FDI rules is one of the major policy obstacles that has hampered the development of e-commerce.
- v. The slow and sluggish infrastructure development is the program's major obstacle. India's digital infrastructure is woefully unable to handle the rising volume of online transactions.
- vi. India's lengthy and complex regulatory processes contribute to the low levels of private engagement in government projects.
- vii. Since many government-issued request proposals are not financially viable, reputable private sector companies do not accept them.

7. SUGGESTIONS

- iv. Working together on software development Government and IT firms are required for continued advancements in digitalization and technology.
- v. Construction of a digital infrastructure
- vi. Government subsidies and assistance in the development of technologies that are beneficial to the expansion of the economy in the IT industry.
- vii. Providing the majority of public services in digital form, such as E-Katha, caste certificates, income certificate extracts, etc. In order to establish digital

infrastructure in rural and distant locations, the private sector should be encouraged.

- viii. The defense of digital information against various cybercrimes. educating the general public about these cybercrimes.
- ix. Modifications must be made to a number of laws that have severely stifled India's technological advancement in order for implementation to be successful.

8. CONCLUSION

The use of smartphones changed digital transactions and boosted the financial system's transparency and accountability. We reiterate the significance of financial literacy, which can alter the stage of development of developing nations like India. Internet usage and indirect tax revenue are strongly and favorably correlated. Trading volumes have expanded as a result of the Indian stock market's modernization, particularly online trading. Internet usage and trading volumes have a strong positive correlation, which points to a rise in stock market activity as a result of digitization. The pandemic-related issue that is currently underway is influencing new consumer behaviors and raising the need for qualitative shifts in how many nations around the world will tackle difficulties with economic development in the future. If digitalization is properly implemented, it could alter the economic development of India and help it get to the third-largest economy status. Innovation, ease of use, new career opportunities, and economic growth are all benefits of digitalization. It contributes to system openness and greatly clarifies how money moves inside the economy.

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